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Held at Headquarters, New York, on Monday, 6 April 2009, at 10 a.m.

Chairman: Mr. Bródi (Chairman) ..... (Hungary)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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The meeting was called to order at 10.05 a.m.

Agenda item 118: Programme budget for the biennium 2008-2009 (*continued*)

Programme budget implications of draft resolution A/63/L.66: Organization of the United Nations conference at the highest level on the world financial and economic crisis and its impact on development (A/C.5/63/22)

1. **Ms. Van Buerle** (Director, Programme Planning and Budget Division), introducing the statement of programme budget implications of draft resolution A/63/L.66 on the organization of the United Nations conference at the highest level on the world financial crisis and its impact on development (A/C.5/63/22), recalled that draft resolution A/63/L.66 was a follow-up to General Assembly resolution 63/239, in which the Assembly had endorsed the Doha Declaration on Financing for Development: outcome document of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus. Draft resolution A/63/L.66 would define the modalities of the conference called for in the Doha Declaration and would constitute an addition to the revised calendar of meetings and conferences for 2009. The estimated resource requirements related to conference servicing for a three-day conference, public information services, and security services. The additional requirements pertaining to meeting services and verbatim records would be accommodated through the existing resources allocated for the General Assembly under section 2 of the programme budget for the biennium 2008-2009, on the understanding that the Assembly itself would not be using those resources on those days. The additional resource requirements of $867,700 arising from the adoption of draft resolution A/63/L.66 would represent a charge against the contingency fund and, as such, would require an additional appropriation for the biennium 2008-2009. As noted in section XIII of General Assembly resolution 63/263, a balance of $5,122,000 remained in the contingency fund.

2. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), giving the Advisory Committee's oral report on the statement of programme budget implications of draft resolution A/63/L.66, said that under paragraph 1 of the draft resolution the General Assembly would decide that the conference, consisting of seven plenary meetings and four parallel interactive round tables, should be convened at United Nations Headquarters from 1 to 3 June 2009. According to the Secretary-General's statement of programme budget implications (A/C.5/63/22), the additional resource requirements included $817,000 for conference servicing under sections 2 and 28D of the programme budget for the biennium 2008-2009, $136,200 for public information under section 27 and $211,300 for safety and security under section 33. The services for the plenary meetings, including the opening meeting, would be provided from the resources already allocated for the General Assembly, allowing the absorption of conference-servicing costs in an amount of $296,800.

3. The Advisory Committee therefore recommended that the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/63/L.66, additional resources in the total amount of up to $867,700 would be required under the programme budget for the biennium 2008-2009, comprising $481,600 under section 2, $136,200 under section 27, $38,600 under section 28D and $211,300 under section 33. Such additional appropriation as might be necessary would be considered by the General Assembly in accordance with the procedures for the use and operation of the contingency fund set out in its resolutions 41/213 and 42/211.

4. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, expressed the Group's appreciation for the sense of urgency and efficiency displayed by the Secretariat and the Advisory Committee. Concerted action by the entire United Nations membership was urgently needed to tackle the unfolding world financial and economic crisis, the most challenging ever encountered; the Organization was the only universal body providing a democratic forum for such action. The central role of the General Assembly in addressing the crisis had been reaffirmed by Heads of State and Government in the Doha Declaration, which called for the President of the General Assembly to organize a United Nations conference at the highest level on the crisis and its impact on development. The Group, emphasizing the vital importance of that conference, fully endorsed both the Secretary-General's statement of the programme budget implications of draft resolution A/63/L.66 and the Advisory Committee's related oral report. The Committee should complete its consideration of the matter expeditiously so that the

draft resolution, which had been subject to protracted negotiations, could be adopted by the General Assembly.

5. **Ms. Krahulcová** (Czech Republic), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Montenegro and Serbia; and, in addition, Armenia, Republic of Moldova and Ukraine, said that the European Union, as well as the other countries participating in the negotiations on the text of draft resolution A/63/L.66, had invested considerable effort and shown great flexibility in reaching a consensus, following extensive deliberations that had lasted almost two months. It was regrettable that Member States had not been able to agree on the draft resolution before the conclusion of the first part of the resumed sixty-third session, thereby requiring a meeting to be convened one week later to consider its programme budget implications. The European Union hoped that such a situation would not recur and that no precedent would be set for the Committee to be urged into meetings outside its regular and resumed sessions. It stood ready to consider the programme budget implications of draft resolution A/63/L.66, on the understanding that it was a consensual and final text.

The meeting was suspended at 10.25 a.m. and resumed at 12.15 p.m.

6. **Mr. Abelian** (Secretary of the Committee) read out the following oral draft decision:

> "The Fifth Committee, having considered the statement of programme budget implications submitted by the Secretary-General (A/C.5/63/22) and the oral report of the Advisory Committee on Administrative and Budgetary Questions (A/C.5/63/SR.40), decides to inform the General Assembly that, should it adopt draft resolution A/63/L.66, additional resources in the total amount of $867,700 would be required under the programme budget for the biennium 2008-2009, comprising $481,600 under section 2, General Assembly and Economic and Social Council affairs and conference management, $136,200 under section 27, Public information, $38,600 under section 28D, Office of Central Support Services, and $211,300 under section 33, Safety and security. This would represent a charge against the contingency fund and, as such, would require an additional appropriation for the biennium 2008-2009 and would be considered by the General Assembly in accordance with the procedures for the use and operation of the contingency fund set out in its resolutions 41/213 and 42/211."

7. **Ms. Krahulcová** (Czech Republic), speaking on behalf of the European Union, said that the European Union expected the Secretariat to provide the Fifth Committee with a comprehensive and transparent report on the use of the resources provided for in the oral draft decision.

8. *The draft decision was adopted.*

9. **Mr. Cumberbatch** (Cuba) observed that calls for transparency were not necessarily made in other situations and stressed that the Committee must guard against double standards when allocating resources to different activities.

10. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, said that the Group would have preferred approval of the full amount requested, without any absorption within existing resources. However, given the importance of the draft resolution on the financial and economic crisis and its impact on development, it had agreed to adopt the draft decision in its present form.

Other matters

11. **The Chairman** drew the attention of the Committee to the question of the continued provision of technical support to the Group of 77 and China by the Department for General Assembly and Conference Management at the upcoming substantive session of the Economic and Social Council.

12. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, expressed the Group's great concern and astonishment at the e-mail recently received from the Chief of the Economic and Social Council Affairs Branch and Secretary of the Economic and Social Council and the Second Committee, informing it that, owing to a cut in the funds allocated to the Department for General Assembly and Conference Management, that Department would not be able to provide technical support to the Group at the substantive session of the Economic and Social Council in July 2009. The Group, surprised by both the substance of the message and the way in which it had

been communicated, strongly denounced and rejected such arbitrary behaviour, which could be interpreted only as an attempt to create obstacles to its effective and constructive engagement in the work of the United Nations and multilateral diplomacy in general. Such a step, if taken, would go against both the letter and the spirit of General Assembly resolution 63/248, in which the Assembly recognized the importance of meetings of regional and other major groupings of Member States for the smooth functioning of the sessions of intergovernmental bodies and asked the Secretary-General to meet the requests of those groupings for conference services. Member States had not been warned, either at the 2008 substantive session of the Committee on Conferences or in the course of the Fifth Committee's deliberations under agenda item 121, of any cuts or problems in the servicing of regional and other major groupings.

13. With the 2009 organizational session of the Committee on Conferences to be held the following day, the Group requested immediate clarification of the reasons for the proposed withdrawal of technical support, noting that the Fifth Committee had not endorsed any cut in the funds allocated to the Department for General Assembly and Conference Management. The Group wished to know, in particular, whether there had been any reduction in the funds allocated to the Department for the biennium 2008-2009 and, if so, what the level of the cut had been, what legislative basis, if any, the General Assembly had provided for the cut, who had authorized it and what specific lines of the Department's budget had been targeted; what implications the cut had for the Department's activities and how the Department had prioritized its implementation; what specific elements of technical support the Secretariat intended to withhold from the Group at the Economic and Social Council substantive session in July 2009 and what their financial cost would be; and which entities, other than the Group, were affected by the so-called cut in funds.

14. Reiterating its regret at the difficulties faced by the Group at a time when it was preparing to participate in the coming substantive session of the Economic and Social Council, the Group called for the Under-Secretary-General of the Department for General Assembly and Conference Management to attend the current meeting in person in order to answer the questions raised.

15. **The Chairman** said that the Secretariat had taken note of the concerns raised by the representative of the Sudan and would respond immediately.

16. **Mr. Shaaban** (Under-Secretary-General for General Assembly and Conference Management) said that, given a reduction in the budget for the Department for General Assembly and Conference Management for 2009, it had been necessary to make several across-the-board cuts. Although the Department had absorbed the costs of some ten thematic non-calendar debates during the current biennium, it was no longer in a position to absorb the costs of non-calendar meetings.

17. In response to the clarifications requested by the Group of 77 and China, he said that the funds allocated to the Department for the biennium 2008-2009 had been reduced by $5.7 million. As a result, he had been obliged to reduce travel to meetings and conferences and had been unable to process documents for certain meetings, in particular for the Human Rights Council. It was also possible that certain integrated conference management projects would have to be discontinued.

18. With respect to the provision of technical support to the Group of 77 and China at the substantive session of the Economic and Social Council in July 2009, one of the nine staff members travelling to Geneva from Headquarters would service the Group's meetings.

19. **Ms. Samayoa-Recari** (Guatemala) pointed out that the General Assembly had approved seven additional posts for the Department, over and above the number requested in the Secretary-General's budget proposal. It was therefore difficult to understand why certain meetings could not be serviced. It was important to achieve savings, but not at the expense of mandated activities. Her delegation would like to know exactly where the Department's budget had been cut.

20. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, said that the issue was a serious one for the Group and that failure to provide technical support to the Group of 77 at the upcoming substantive session of the Economic and Social Council would affect its performance. There was no authority for a cut of $5.7 million from the Department's budget and the Group would welcome a written response.

21. **Mr. Afifi** (Egypt) asked who had requested and who had authorized the reduction in the number of

staff travelling to Geneva. He also wondered whether the nine assigned staff would be able to provide logistical support to the Group of 77, in addition to covering all the Council meetings. It was unclear why the cut in the Department's budget affected some activities and not others, especially since the Department had shown the capacity to absorb certain costs with respect to, for example, the capital master plan. His delegation would appreciate further clarification.

22. **Mr. Brant** (Brazil) noted that, in the past, within the limited budgetary discretion of the Secretary-General, certain activities had been funded from savings in the Department for General Assembly and Conference Management. Reiterating the importance of implementing all mandated activities, he said that, if required resources were not available, they should be requested through the proper mechanisms.

23. The provision of services to the Group of 77 and China and the activities of the Human Rights Council in Geneva were mandated by the General Assembly and his delegation could not understand how a cut in expenditure could be allowed to undermine the implementation of General Assembly mandates.

24. He recalled that, in late 2008, the Committee had discussed the first performance report for the biennium, and specifically the use of the limited budgetary discretion granted to the Secretary-General by General Assembly resolution 60/283 to provide resources for information and communications technology and enterprise resource planning projects. As those projects had been funded from savings within the Department for General Assembly and Conference Management, he assumed that the necessary resources had been available because they were surplus to requirements. If the resources had not been surplus to requirements, they would surely not have been used for another purpose.

25. All mandates of the General Assembly must be implemented. If the resources to do so were not available, they must be requested from the General Assembly in line with the usual procedures. He wished the Department's written answer to the members of the Committee to clarify the situation.

26. **Mr. Cumberbatch** (Cuba) said that his delegation had noticed the marked lack of consistency in the manner in which it was proposed to finance activities of the Organization. At times, expenditure would be absorbed within existing resources. At others, it would be covered by making savings in another area of activity. However, in the case of the activities under discussion, which resulted from mandates of the General Assembly, no financing at all was available. The problem seemed to be a recurring one, having also arisen in connection with the Development Account in 2008.

27. For the sake of further clarity, and because he saw a risk that the Economic and Social Council might be prevented from meeting in Geneva in the future, he would like the Under-Secretary-General for General Assembly and Conference Management to indicate the approximate cost of providing services for the Group of 77 and China when sessions of the Council had been held in Geneva in the past. Bearing in mind the unusual situation, and the unusual way in which the Group of 77 and China had been notified, he also wished to know what other regional or subregional groups would be similarly affected at duty stations away from Headquarters.

28. **Mr. Coffi** (Côte d'Ivoire) said that he would like to know what percentage of the total budget of the Department for General Assembly and Conference Management was accounted for by the cut of $5.7 million.

29. **Mr. Shaaban** (Under-Secretary-General for General Assembly and Conference Management), turning first to the matter of resources for the Human Rights Council, indicated that the Council, in its decision 9/103, had requested the Secretary-General to report to the General Assembly on the resources required to provide the Council with the necessary services. Draft resolution A/C.3/63/L.57/Rev.1 of the Third Committee, the programme budget implications of which were set out in document A/C.3/63/L.77, indicated a request for the establishment of a number of posts on the basis of the report of the Human Rights Council (A/63/53 and Add.1).

30. However, under the terms of the draft resolution concerned, the General Assembly had been invited to take note of, rather than endorse, the recommendations in the report of the Human Rights Council. As a result, the statement of programme budget implications had been withdrawn. Although pursuant to a previous General Assembly resolution the Council had been directed to hold a minimum number of sessions, resulting in the allocation of $4 million to provide

services to the Council in its first year, the Council faced the prospect of holding six new sessions to conduct the Universal Periodic Review in the forthcoming biennium without the associated requirements being taken into account. At no time had the Department indicated that it could absorb the cost of providing services for those additional meetings of the Council.

31. Recalling that he had been asked to specify who had authorized the reduction in travel costs for the Department, he indicated that he had done so personally because it was impossible to reconcile the cost of travel with the need to continue providing meeting services, processing documentation and financing global integrated management projects. Being an across-the-board reduction, it did not affect travel for servicing meetings of the Economic and Social Council alone.

32. With regard to using cost savings from the budget of his Department as a source of resources, within the context of the Secretary-General's limited budgetary discretion, for enterprise resource planning and pandemic-related projects, he indicated that the sum concerned, $2,164,600, represented a temporary reduction obtained against established posts of the Department which had remained unfilled. Although vacancy rates in the Department were currently high, if any of those posts were filled, the necessary resources must come from the regular budget.

33. With regard to the groups affected by the financial cut, he pointed out that substantive secretariat services were provided for the Group of 77 and China, and other regional or subregional groups, by the Department of Political Affairs or the Department of Economic and Social Affairs, as appropriate. The Department for General Assembly and Conference Management provided technical secretariat services. He was consequently unable to provide an estimate of the cost of providing support at previous sessions of the Economic and Social Council held in Geneva. With regard to the share of the budget of the Department accounted for by the cut of $5.7 million, the amount could be calculated by comparing it against the Department's budget for the current biennium, which stood at $372,195,400.

34. He stood ready to provide written answers where requested, and wished to assure the members of the Committee that, while he understood the frustration of the Group of 77 and China, only an understanding of the facts would clarify the situation.

35. **Ms. Samayoa-Recari** (Guatemala) said that the Committee's discussion of the matter before it would be greatly facilitated if the Under-Secretary-General for General Assembly and Conference Management could provide his answers in writing. Emphasizing that the Economic and Social Council session was approaching, she emphasized the need to determine how the Council could function properly in the face of the Department's travel cuts.

36. **Mr. Brant** (Brazil) said that, in the light of the explanations provided by the Under-Secretary-General for General Assembly and Conference Management, he wondered why, if it was within the prerogative of the Secretary-General and the Under-Secretary-General to shift budget resources from one activity to another, even between duty stations, they were not doing so in order to accommodate the needs of the Group of 77 and China and the Human Rights Council.

37. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, expressed his Group's continued surprise at the ability of the Secretariat to make over $5 million in financial cuts, apparently without any consultation or legislative basis. For that reason, having heard from the Under-Secretary-General for General Assembly and Conference Management, it wished the Programme Planning and Budget Division also to provide clarification. The Group would pursue the matter until a solution was found, being keenly aware that its participation and engagement in the work of the Organization would be affected by the lack of resources.

38. **Ms. Van Buerle** (Director, Programme Planning and Budget Division), turning first to the budget situation of the Department for General Assembly and Conference Management, said that the relevant information appeared in the draft report of the Fifth Committee to the General Assembly (A/C.5/63/L.24). The report recounted the chronology of events leading to the approval of the revised appropriation for the Department. The table in paragraph 8, under section 2, General Assembly and Economic and Social Council affairs and conference management, indicated an initial appropriation of $629,339,800. It also indicated an increase of $32,921,300 subsequent to the consideration in December 2008 of the first performance report for the biennium and of a number

of programme budget implications and revised appropriations. The total revised appropriation was therefore $662,261,100.

39. In addition, she recalled that although the General Assembly had approved the entire appropriation, it had, in section XII, paragraph 8, of its resolution 63/263 on questions relating to the programme budget for the biennium 2008-2009, effectively withheld an amount of up to $45 million, making its release conditional on receipt by the President of the General Assembly of a letter from the Secretary-General setting out expenditure performance during the course of the year and providing for it to be assessed on the Member States. She also recalled that, in the consultations leading up to the adoption of the resolution, it had been proposed that expenditure should be monitored and the Committee informed if it became necessary to draw on that amount.

40. She further recalled that the use of the limited budgetary discretion granted to the Secretary-General by General Assembly resolution 60/283 to cover expenditure on the enterprise resource planning system and on steps to ensure business continuity in a protracted human influenza pandemic crisis had relied on potential savings identified under section 2, General Assembly and Economic and Social Council affairs and conference management, and under other sections of the budget. The potential savings under section 2 resulted from the fact that posts remained unfilled. As the Under-Secretary-General for General Assembly and Conference Management had pointed out, the resources must be restored to his Department if the posts concerned were filled.

41. It should also be remembered that, during the discussion of the first performance report and of the use of the Secretary-General's discretion with regard to budgetary implementation, no transfers of resources between sections of the budget had been approved. As a result, the appropriation for the Department for General Assembly and Conference Management had remained unaltered. When the second performance report for the biennium was considered, sums would be moved between sections of the budget, with the agreement of the Member States, in order to effect a technical adjustment and allow the accounts for the biennium to be closed and audited.

42. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, said that, while his Group welcomed the responses of the Director of the Programme Planning and Budget Division, many questions remained.

43. **The Chairman** said that the matter would remain under discussion and that the Committee would return to it at a subsequent meeting.

The meeting rose at 1.05 p.m.